

SULLIVAN, HILL, LEWIN, REZ & ENGEL  
A Professional Law Corporation  
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Jonathan S. Dabbieri, CA SBN 91963 (Pro Hac Vice)  
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**Electronically Filed: March 21, 2013**

Attorneys for Chapter 7 Trustee,  
William A. Leonard, Jr.

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA

In re ) CASE NO. BK-S-09-32824-RCJ (Lead Case)  
ASSET RESOLUTION, LLC, )  
Debtor. ) Jointly Administered with Case Nos.:  
BK-S-09-32831-RCJ; BK-S-09-32839-RCJ;  
BK-S-09-32843-RCJ; BK-S-09-32844-RCJ;  
BK-S-09-32846-RCJ; BK-S-09-32849-RCJ;  
BK-S-09-32851-RCJ; BK-S-09-32853-RCJ;  
BK-S-09-32868-RCJ; BK-S-09-32873-RCJ;  
BK-S-09-32875-RCJ; BK-S-09-32878-RCJ;  
BK-S-09-32880-RCJ; BK-S-09-32882-RCJ  
Chapter 7

**Affects:**

- ☒ All Debtors
- ☐ Asset Resolution, LLC, 09-32824
- ☐ Bundy 2.5 Million SPE, LLC, 09-32831
- ☐ Bundy Five Million SPE, LLC, 09-32839
- ☐ CFP Anchor B SPE, LLC, 09-32843
- ☐ CFP Cornman Toltec SPE, LLC, 09-32844
- ☐ CFP Gess SPE LLC, 09-32846
- ☐ CFP Gramercy SPE, LLC, 09-32849
- ☐ Fiesta Stoneridge, LLC, 09-32851
- ☐ Fox Hills SPE, LLC, 09-32853
- ☐ HFAH Monaco SPE LLC, 09-32868
- ☐ Huntsville SPE LLC, 09-32873
- ☐ Lake Helen Partners SPE LLC, 09-32875
- ☐ Ocean Atlantic SPE LLC, 09-32878
- ☐ Shamrock SPE LLC, 09-32880
- ☐ 10-90 SPE, LLC, 09-32882

**SULLIVAN HILL'S NOTICE OF INTERIM  
COMPENSATION REQUESTED  
(FEBRUARY 2013)**

Ctrm: RCJ - Courtroom 6  
Bruce R. Thompson Federal Building  
400 S. Virginia Street  
Reno, NV 89501  
Judge: Hon. Robert C. Jones

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1 TO WILLIAM A. LEONARD, JR., CHAPTER 7 TRUSTEE (“TRUSTEE”); AND OTHER  
2 PARTIES ENTITLED TO NOTICE:

3 Pursuant to the Court’s Order Establishing Procedures for Interim Compensation of  
4 Professionals (“Interim Compensation Order”) made in open court on May 27, 2010 and entered on  
5 October 15, 2010 [Docket No. 1243], as modified by the Court in its oral ruling on February 24,  
6 2011, placing an interim cap on rates of \$400 per hour for attorneys and \$100 per hour for  
7 paralegals, the February 2013 invoices of Sullivan Hill Lewin Rez & Engel (“Sullivan Hill”),  
8 counsel for the Trustee, are attached as Exhibit “A” hereto. During the month of February, Sullivan  
9 Hill billed fees in the amount of \$64,947.00, reduced to \$55,591.25 applying the Court ordered cap,  
10 and costs in the amount of \$1,224.89. At this time, on the terms set forth below, Sullivan Hill seeks  
11 payment based upon the reduced amount. All terms not defined herein shall have the meaning given  
12 them in the Interim Compensation Order.

13 Exhibit “B” hereto is a budget setting forth the fees and costs Sullivan Hill estimates that it  
14 will incur in these cases during the months of March and April 2013. All amounts set forth on  
15 Exhibit “B” are estimates only, and actual fees and costs will depend on a variety of facts and  
16 circumstances. Exhibit “B” also sets out, on a matter by matter basis, the fees requested by this  
17 notice, at both the firm’s usual and customary rates (Column B) and the rates as capped by the Court  
18 (Column C).

19 In accordance with the Interim Compensation Order:

20 (1) Any Reviewing Party may serve upon the Sullivan Hill within 10 days of service of  
21 an invoice (“Objection Period”) a written “Notice of Objection to Fee Statement” (“Objection”)  
22 setting forth the precise nature of the Objection and the amounts disputed.

23 (2) If no Objection to an invoice is timely served within the Objection Period, the Trustee  
24 is authorized to pay from the estate for which the services were rendered or the costs incurred on an  
25 interim basis, subject to the further approval or adjustment upon fee application as described below,  
26 80 percent (80%) of the fees requested applying the cap -- (80% of \$55,591.25, or \$44,473.00) -- and  
27 100 percent (100%) of the costs requested in such invoices -- \$1,224.89.

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1 (3) If an Objection is timely served within the Objection Period which objects to some  
2 but not all of the fees and costs requested in this notice, the Trustee is authorized to pay -- on an  
3 interim basis, subject to the further approval or adjustment upon fee application as described below -  
4 - 80 percent (80%) of the uncontested fees requested in this notice (at the capped rates), and 100  
5 percent (100%) of the uncontested costs requested in such invoice.

6 (4) If an Objection is timely served within the Objection Period, the parties shall meet  
7 and confer and attempt to reach a consensual resolution of the dispute. If such a resolution is  
8 reached, the parties shall notify the Trustee and all Reviewing Parties, and the Trustee shall promptly  
9 pay the agreed-upon fees and costs, on an interim basis, subject to the further approval upon fee  
10 application as described below.

11 (5) If an Objection is timely served with the Objection Period and not resolved through  
12 the meet-and-confer process described above, Sullivan Hill may (i) file with the Court a request for  
13 payment of the amounts requested in this notice (along with a copy of the Objection), and set a  
14 hearing on the matter; or (ii) forego payment of the disputed amounts until the amounts are  
15 addressed in the next interim fee application.

16 (6) Approximately every four (4) months, Sullivan Hill will file with the Court and serve  
17 on the Reviewing Parties an application for interim approval and allowance of the fees and costs  
18 incurred during the prior four months -- addressing amounts previously paid and amounts previously  
19 held back -- pursuant to section 331 of the Bankruptcy Code.

20 (7) All amounts paid in accordance with this process shall be interim in nature and  
21 subject to disgorgement until such time as the Court orders otherwise.

22 (8) No action or inaction in with respect to an invoice, any payment thereof, or any  
23 objection thereto shall prejudice the rights of any party in interest with respect to an interim or final  
24 fee application, and all rights with respect to such applications -- including the right to object -- are  
25 fully reserved.

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1 (9) Sullivan Hill reserves the right to request at a future date that the Court approve  
2 payment of the fees included in this notice at the firm's previously approved uncapped rates.

3 Dated: March 21, 2013

SULLIVAN, HILL, LEWIN, REZ & ENGEL  
A Professional Law Corporation

4  
5 By: /s/ Jonathan S. Dabbieri  
6 James P. Hill (Pro Hac Vice)  
7 Jonathan S. Dabbieri (Pro Hac Vice)  
8 Elizabeth E. Stephens  
9 Attorneys for Chapter 7 Trustee,  
10 William A. Leonard, Jr.  
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**EXHIBIT A**

3/20/2013 10:29:14 AM

Sullivan, Hill, Lewin, Rez &amp; Engel

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

Matter ID: 554-14034

Draft Seq #

1

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

Re: Asset Resolution, LLC

Billing Attorney: 2 - Hill, James P.

Bill Format: 9018

Billing Cycle: M

## Billing Comments

## Internal Comments

Fee App  
 CAR/EES \$375

## Billing Address(es)

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

## Billing &amp; Payment Recap

Total Billed Fees:	355,731.02	Combined Adv. Deposit Bal.:	34,738.13
Total Billed Costs:	56,050.77	Fee Adv. Deposit Bal.:	0.00
Total Billed Interest:	0.00	Cost Adv. Deposit Bal.:	211.75
Total Billed Retainer:	0.00	Trust Funds 1:	14,200.00
Total Collected:	411,781.79	Trust Funds 2:	0.00
Last Bill: 1/3/2013	7,500.00	Trust Funds 3:	0.00
Last Payment: 3/11/2013	31,142.73	Trust Funds 4:	0.00
Last Write-Off:			

## WIP &amp; A/R Aging

As of 2/28/2013	Total	Fees	Costs	Interest	Retainer	Aging			
						0-30	31-60	61-90	91+
WIP	4,615.39	3,390.50	1,224.89	0.00	0.00	4,615.39	0.00	0.00	0.00
A/R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## Fee Recap - Actual Hourly Rate

Timekeeper	Hours	Rate	Amount	On Hold			To Bill		
				Hours	Rate	Amount	Hours	Rate	Amount
JPH	2.50	495.00	1,237.50				2.50	495.00	1,237.50
JRE	0.40	470.00	188.00				0.40	470.00	188.00
JSD	4.30	425.00	1,827.50				4.30	425.00	1,827.50
LLT	1.50	30.00	45.00				1.50	30.00	45.00
JNV	0.50	185.00	92.50				0.50	185.00	92.50
<b>Total WIP Fees</b>	<b>9.20</b>		<b>3,390.50</b>				<b>9.20</b>		<b>3,390.50</b>

## Disbursement Recap by Code

Code	Amount	On Hold	To Bill
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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

Matter ID: 554-14034

Draft Seq # 1

PSTG	Postage	48.69	0.00	48.69
TE	Travel expenses	1,176.20	0.00	1,176.20
<b>Total WIP Costs</b>		<b>1,224.89</b>	<b>0.00</b>	<b>1,224.89</b>
<b>Total WIP</b>		<b>4,615.39</b>	<b>0.00</b>	<b>4,615.39</b>

**Billing Instructions**

☐ Bill Fees
 ☐ Write off Fees
 ☐ Send Statement Only
 ☐ Bill Costs
 ☐ Write off Costs

☐ Apply Adv. Deposit: ☐ All or Other Amount \_\_\_\_\_

**Fee Detail**

Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
688261	02/06/13	JPH			0.20	495.00	99.00
			Draft update correspondence to trustee re pending matters, outline for meeting with trustee and J. Dabbieri (.2).				
688329	02/07/13	JPH			0.30	495.00	148.50
			Brief conference and update of "to do's" with Trustee Leonard, including review of Gardens loans, Marlton, pending litigation, follow up items (.3).				
688349	02/08/13	JPH			1.00	495.00	495.00
			Prepare for and meeting with trustee re Gardens Loans, Fox Hills and Eagle Meadows loans, McGrane lawsuit, Citron settlement, Lake Helen property (1.0).				
688568	02/08/13	JSD			0.60	425.00	255.00
			Conference re pending issues to resolution of bankruptcy.				
688571	02/08/13	JSD			1.30	425.00	552.50
			Analyzed pending issue - lien claims, water rights issues, remaining clean up issues.				
685579	02/11/13	JNV			0.50	185.00	92.50
			Monthly case status review and analysis.				
688582	02/11/13	JSD			0.20	425.00	85.00
			Analyzed asset/liability inquiry.				
688586	02/11/13	JSD			0.90	425.00	382.50
			Telephone conference with Donna Cangelosi.				
688389	02/12/13	JPH			0.40	495.00	198.00
			Review taxing authority correspondence and withdrawal of claim (.1); meeting with trustee to review case status, "to do's" and follow up items on various loans and pending litigation, dismissals (.3).				
688603	02/14/13	JSD			0.70	425.00	297.50
			Reviewed recent case law re bankruptcy court discretion to not enforce an arbitration clause.				
688424	02/19/13	JPH			0.30	495.00	148.50
			Continue monthly review of case status and charges (all matters), including correspondence to/from and telephone conference with trustee re same (.3).				
685739	02/25/13	JRE			0.40	470.00	188.00
			conferences with J. Dabbieri to discuss choice of law and anti-deficiency risks and issues concerning proposed action by secured lenders for additional remedies while nonjudicial foreclosure on California real property is pending in California				

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

**Matter ID: 554-14034**

Draft Seq # 1

Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
688649	02/25/13	JSD	Memoranda re asset/liability inquiry by Ms. Chubb.		0.60	425.00	255.00
688491	02/28/13	JPH	Status review meeting with trustee (.3).		0.30	495.00	148.50
689018	02/28/13	LLT	Claims analysis.		1.50	30.00	45.00
<b>Total Fees</b>					<b>9.20</b>		<b>3,390.50</b>

Disbursement Detail							
Cost ID	Date	Task	Payee	Hold	Amount		
614809	02/11/13	Postage			9.92		
614841	02/12/13	Postage			1.98		
614909	02/13/13	Postage			24.37		
615631	02/26/13	Postage			9.78		
615701	02/27/13	Postage			1.32		
615787	02/28/13	Postage			1.32		
616019	02/28/13	American Express			578.10		
		Travel expenses; JPH-Roundtrip Airfare San Diego/Tampa 02/21-25/13 re: Garden Meetings and Lake Helen Site Visits					
616237	02/28/13	American Express			598.10		
		Travel expenses; JLM-Roundtrip Airfare San Diego/Tampa 2/21-24/13 re: Meetings w/Trustee at Sites					
<b>Total Disbursements</b>					<b>1,224.89</b>		



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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

Matter ID: 554-14109

Draft Seq #

2

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

Re: CFP Gess SPE 09-32846

Billing Attorney: 2 - Hill, James P.

Bill Format: 9004

Billing Cycle: M

## Billing Comments

## Internal Comments

Fee App  
 CAR/EES \$375

## Billing Address(es)

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

## Billing &amp; Payment Recap

Total Billed Fees:	3,390.75	Combined Adv. Deposit Bal.:	0.00
Total Billed Costs:	0.00	Fee Adv. Deposit Bal.:	0.00
Total Billed Interest:	0.00	Cost Adv. Deposit Bal.:	0.00
Total Billed Retainer:	0.00	Trust Funds 1:	0.00
Total Collected:	3,390.75	Trust Funds 2:	0.00
Last Bill: 12/17/2012	8.00	Trust Funds 3:	0.00
Last Payment: 12/13/2010	1,060.75	Trust Funds 4:	0.00
Last Write-Off:			

## WIP &amp; A/R Aging

As of 2/28/2013	Total	Fees	Costs	Interest	Retainer	Aging			
						0-30	31-60	61-90	91+
WIP	49.50	49.50	0.00	0.00	0.00	49.50	0.00	0.00	0.00
A/R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## Fee Recap - Actual Hourly Rate

Timekeeper	Hours	Rate	Amount	On Hold		Amount	To Bill		
				Hours	Rate		Hours	Rate	Amount
JPH	0.10	495.00	49.50				0.10	495.00	49.50
<b>Total WIP Fees</b>	<b>0.10</b>		<b>49.50</b>				<b>0.10</b>		<b>49.50</b>
<b>Total WIP</b>			<b>49.50</b>			<b>0.00</b>			<b>49.50</b>

## Billing Instructions

☐ Bill Fees
 ☐ Write off Fees
 ☐ Send Statement Only
 ☐ Bill Costs
 ☐ Write off Costs  
☐ Apply Adv. Deposit: ☐ All or Other Amount \_\_\_\_\_

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**Matter ID: 554-14109**

Draft Seq # 2

Fee Detail							
Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
688466	02/26/13	JPH	Attention to dismissal order and correspondence to trustee re same (.1).		0.10	495.00	49.50
Total Fees					0.10		49.50

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Matter ID: 554-14112

Draft Seq #

3

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

Re: Fox Hills SPE 09-32853

Billing Attorney: 2 - Hill, James P.

Bill Format: 9004

Billing Cycle: M

## Billing Comments

## Internal Comments

Fee App  
 CAR/EES \$375

## Billing Address(es)

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

## Billing &amp; Payment Recap

Total Billed Fees:	14,053.15	Combined Adv. Deposit Bal.:	0.00
Total Billed Costs:	836.15	Fee Adv. Deposit Bal.:	0.00
Total Billed Interest:	0.00	Cost Adv. Deposit Bal.:	0.00
Total Billed Retainer:	0.00	Trust Funds 1:	0.00
Total Collected:	14,889.30	Trust Funds 2:	0.00
Last Bill: 12/17/2012	1,394.00	Trust Funds 3:	0.00
Last Payment: 11/2/2012	64.00	Trust Funds 4:	0.00
Last Write-Off:			

## WIP &amp; A/R Aging

## Aging

As of 2/28/2013	Total	Fees	Costs	Interest	Retainer	0-30	31-60	61-90	91+
WIP	3,843.50	3,843.50	0.00	0.00	0.00	3,843.50	0.00	0.00	0.00
A/R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## Fee Recap - Actual Hourly Rate

Timekeeper	Hours	Rate	Amount	On Hold			To Bill		
				Hours	Rate	Amount	Hours	Rate	Amount
JSD	9.00	425.00	3,825.00				9.00	425.00	3,825.00
JNV	0.10	185.00	18.50				0.10	185.00	18.50
<b>Total WIP Fees</b>	<b>9.10</b>		<b>3,843.50</b>				<b>9.10</b>		<b>3,843.50</b>
<b>Total WIP</b>			<b>3,843.50</b>			<b>0.00</b>			<b>3,843.50</b>

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

**Matter ID: 554-14112**

Draft Seq # 3

**Billing Instructions**

☐ Bill Fees
 ☐ Write off Fees
 ☐ Send Statement Only
 ☐ Bill Costs
 ☐ Write off Costs

☐ Apply Adv. Deposit: ☐ All or Other Amount \_\_\_\_\_

**Fee Detail**

Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
688538	02/05/13	JSD			0.60	425.00	255.00
			Analyzed Court of Appeals decision reversing summary judgment.				
688542	02/05/13	JSD			3.80	425.00	1,615.00
			Reviewed file re title company defense of action and inquires.				
688543	02/06/13	JSD			0.40	425.00	170.00
			Telephone conference with Rob Hanna re Kaweah Construction Company mechanics' lien.				
688554	02/06/13	JSD			2.60	425.00	1,105.00
			Analyzed title and tile insurance issues; drafted issue memorandum re Fox Hills and mechanics' lien claims.				
685573	02/08/13	JNV			0.10	185.00	18.50
			Review ARC interests in Fox Hills and Eagle Meadows loans.				
688585	02/11/13	JSD			0.70	425.00	297.50
			Memorandum to Ms. Cangelosi, Mr. Majorie, and Mr. Emerson re lien claims and affect on DLs.				
688609	02/15/13	JSD			0.20	425.00	85.00
			Memorandum to Donna Cangelosi re using direct lender 22 to send notice re change of Kewah counsel.				
688608	02/15/13	JSD			0.30	425.00	127.50
			Telephone conference with Chris Rodriguez re status of Kewah lien litigation and change of counsel.				
688656	02/26/13	JSD			0.20	425.00	85.00
			Memorandum re account balances.				
688657	02/26/13	JSD			0.20	425.00	85.00
			Memorandum to Ms. Chubb re Fox Hills account balance.				
<b>Total Fees</b>					<b>9.10</b>		<b>3,843.50</b>

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

Matter ID: 554-14115

Draft Seq #

4

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

Re: Lake Helen Partners SPE 09-32875

Billing Attorney: 2 - Hill, James P.

Bill Format: 9004

Billing Cycle: M

## Billing Comments

## Internal Comments

Fee App  
 CAR/EES \$375

## Billing Address(es)

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

## Billing &amp; Payment Recap

Total Billed Fees:	84,935.36	Combined Adv. Deposit Bal.:	0.00
Total Billed Costs:	2,532.02	Fee Adv. Deposit Bal.:	0.00
Total Billed Interest:	0.00	Cost Adv. Deposit Bal.:	0.00
Total Billed Retainer:	0.00	Trust Funds 1:	0.00
Total Collected:	87,467.38	Trust Funds 2:	0.00
Last Bill: 12/17/2012	11,143.23	Trust Funds 3:	0.00
Last Payment: 11/2/2012	5,752.00	Trust Funds 4:	0.00
Last Write-Off:			

## WIP &amp; A/R Aging

As of 2/28/2013	Total	Fees	Costs	Interest	Retainer	Aging			
						0-30	31-60	61-90	91+
WIP	6,012.00	6,012.00	0.00	0.00	0.00	6,012.00	0.00	0.00	0.00
A/R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## Fee Recap - Actual Hourly Rate

Timekeeper	Hours	Rate	Amount	On Hold			To Bill		
				Hours	Rate	Amount	Hours	Rate	Amount
JPH	5.60	495.00	2,772.00				5.60	495.00	2,772.00
JLM	4.00	470.00	1,880.00				4.00	470.00	1,880.00
JSD	3.20	425.00	1,360.00				3.20	425.00	1,360.00
<b>Total WIP Fees</b>	<b>12.80</b>		<b>6,012.00</b>				<b>12.80</b>		<b>6,012.00</b>
<b>Total WIP</b>			<b>6,012.00</b>			<b>0.00</b>			<b>6,012.00</b>

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

Matter ID: 554-14115

Draft Seq # 4

**Billing Instructions**

☐ Bill Fees
 ☐ Write off Fees
 ☐ Send Statement Only
 ☐ Bill Costs
 ☐ Write off Costs

☐ Apply Adv. Deposit: ☐ All or Other Amount \_\_\_\_\_

**Fee Detail**

Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
688555	02/07/13	JSD			0.30	425.00	127.50
			Telephone conference with Mike Mullen re interest in purchasing property in Lake Helen.				
688563	02/08/13	JSD			2.10	425.00	892.50
			Revised motion to approve settlement.				
688569	02/08/13	JSD			0.20	425.00	85.00
			Memorandum to counsel re settlement motion.				
688570	02/08/13	JSD			0.30	425.00	127.50
			Memorandum to Mr. Susskind re status of Citron settlement.				
688390	02/12/13	JPH			0.10	495.00	49.50
			Review background files with trustee re Lake Helen property, settlement with Citron, sale of underlying property (.1).				
688709	02/14/13	JPH			0.80	495.00	396.00
			Planning for meetings and site inspection in Florida, including telephone conferences with trustee and with Florida Counsel re Lake Helen property, and including review of property report and records (.8).				
688615	02/15/13	JSD			0.30	425.00	127.50
			Memorandum to potential buyer re possible purchase of Lake Helen property.				
688725	02/15/13	JPH			0.20	495.00	99.00
			Review materials and correspondence re site visit to Lake Helen property, including correspondence to/from interested offeror for property (.2).				
688458	02/23/13	JPH			4.00	495.00	1,980.00
			Site visits in Lake Helen, Florida of multiple Lake Helen properties with trustee (4.0).				
688373	02/23/13	JLM			4.00	470.00	1,880.00
			Site visits in Lake Helen, Florida of multiple Lake Helen properties with Trustee Leonard				
688733	02/25/13	JPH			0.30	495.00	148.50
			Telephone conference with trustee re site visit, next steps (.2); correspondence to/from P. Mullen re interest in Lake Helen properties (.1).				
688462	02/26/13	JPH			0.20	495.00	99.00
			Telephone conference with trustee re site visit, proposal for property sales (.1); correspondence to/from P. Mullen re interest in property, listing (.1).				
<b>Total Fees</b>					<b>12.80</b>		<b>6,012.00</b>

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

Matter ID: 554-14121

Draft Seq #

5

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

**Re: Appeals Litigation**

Billing Attorney: 2 - Hill, James P.

Bill Format: 9004

Billing Cycle: M

**Billing Comments****Internal Comments**

Fee App  
 CAR/EES \$375

**Billing Address(es)**

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

**Billing & Payment Recap**

Total Billed Fees:	70,983.90	Combined Adv. Deposit Bal.:	0.00
Total Billed Costs:	546.72	Fee Adv. Deposit Bal.:	0.00
Total Billed Interest:	0.00	Cost Adv. Deposit Bal.:	0.00
Total Billed Retainer:	0.00	Trust Funds 1:	0.00
Total Collected:	71,530.62	Trust Funds 2:	0.00
Last Bill: 12/17/2012	270.50	Trust Funds 3:	0.00
Last Payment: 11/2/2012	32.00	Trust Funds 4:	0.00
Last Write-Off:			

**WIP & A/R Aging**

As of 2/28/2013	Total	Fees	Costs	Interest	Retainer	Aging			
						0-30	31-60	61-90	91+
WIP	85.00	85.00	0.00	0.00	0.00	85.00	0.00	0.00	0.00
A/R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

**Fee Recap - Actual Hourly Rate**

Timekeeper	Hours	Rate	Amount	On Hold		Amount	To Bill		
				Hours	Rate		Hours	Rate	Amount
DGR	0.20	425.00	85.00				0.20	425.00	85.00
<b>Total WIP Fees</b>	<b>0.20</b>		<b>85.00</b>				<b>0.20</b>		<b>85.00</b>
<b>Total WIP</b>			<b>85.00</b>			<b>0.00</b>			<b>85.00</b>

**Billing Instructions**

☐ Bill Fees
 ☐ Write off Fees
 ☐ Send Statement Only
 ☐ Bill Costs
 ☐ Write off Costs  
☐ Apply Adv. Deposit: ☐ All or Other Amount \_\_\_\_\_

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

**Matter ID: 554-14121**

Draft Seq # 5

Fee Detail							
Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
686430	02/11/13	DGR			0.20	425.00	85.00
			Attention to status of dismissal and review correspondence thereon.				
				<b>Total Fees</b>		<b>0.20</b>	<b>85.00</b>



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Matter ID: 554-14187

Draft Seq #

7

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

**Re: Fee Applications**

Billing Attorney: 2 - Hill, James P.

Bill Format: 9018

Billing Cycle: M

**Billing Comments****Internal Comments**

Fee App  
 CAR/EES \$375

**Billing Address(es)**

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

**Billing & Payment Recap**

Total Billed Fees:	77,852.21	Combined Adv. Deposit Bal.:	11,374.00
Total Billed Costs:	622.86	Fee Adv. Deposit Bal.:	0.00
Total Billed Interest:	0.00	Cost Adv. Deposit Bal.:	0.00
Total Billed Retainer:	0.00	Trust Funds 1:	0.00
Total Collected:	78,475.07	Trust Funds 2:	0.00
Last Bill: 12/17/2012	1,527.25	Trust Funds 3:	0.00
Last Payment: 11/2/2012	608.00	Trust Funds 4:	0.00
Last Write-Off:			

**WIP & A/R Aging**

As of 2/28/2013	Total	Fees	Costs	Interest	Retainer	Aging			
						0-30	31-60	61-90	91+
WIP	3,667.50	3,667.50	0.00	0.00	0.00	3,667.50	0.00	0.00	0.00
A/R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

**Fee Recap - Actual Hourly Rate**

Timekeeper	Hours	Rate	Amount	On Hold			To Bill		
				Hours	Rate	Amount	Hours	Rate	Amount
JPH	1.50	495.00	742.50				1.50	495.00	742.50
JSD	2.20	425.00	935.00				2.20	425.00	935.00
DGG	3.40	150.00	510.00				3.40	150.00	510.00
JNV	8.00	185.00	1,480.00				8.00	185.00	1,480.00
<b>Total WIP Fees</b>	<b>15.10</b>		<b>3,667.50</b>				<b>15.10</b>		<b>3,667.50</b>
<b>Total WIP</b>			<b>3,667.50</b>			<b>0.00</b>			<b>3,667.50</b>

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**Billing Instructions**

☐ Bill Fees
 ☐ Write off Fees
 ☐ Send Statement Only
 ☐ Bill Costs
 ☐ Write off Costs

☐ Apply Adv. Deposit: ☐ All or Other Amount \_\_\_\_\_

**Fee Detail**

Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
685519	02/05/13	JNV	Prepare description of services in Declaration of J. Hill in support of Eighth Interim Fee Application.		4.40	185.00	814.00
688558	02/07/13	JSD	Revised eighth interim fee application.		0.80	425.00	340.00
685564	02/08/13	JNV	Confer with J. Dabbieri re fee application, notice of hearing thereon (.1); correspondence to L. Ettinger re procedure for same (.1); review, revise fee application (.1).		0.30	185.00	55.50
688357	02/08/13	JPH	Review and revise fee application notice and application, and conference with trustee re same (.3).		0.30	495.00	148.50
688388	02/11/13	JPH	Status meeting and review of fee applications and orders with Trustee, including attention to notice re same (.3).		0.30	495.00	148.50
688393	02/12/13	JPH	Review and revise fee application, working on interim fee notices (.3).		0.30	495.00	148.50
685623	02/13/13	JNV	Prepare exhibits to declaration of J. Hill iso Eighth Interim Fee App (1.4); Finalize fee application and declaration of J. Hill (.3); memorandum to J. Hill and J. Dabbieri re same (.1); revise language re notice/hearing pursuant to Court order (.2); electronically file and serve foregoing (.8)		2.80	185.00	518.00
685628	02/13/13	JNV	Review budget narrative for December and January fee notices and speak to J. Dabbieri re same.		0.20	185.00	37.00
688095	02/13/13	DGG	Prepare Notice of Interim Compensation for January 2013.		0.30	150.00	45.00
688096	02/13/13	DGG	Draft Exhibit B re Notice of Compensation for December 2012. (.5) Draft Exhibit B re Notice of Compensation for January 2013. (.5)		1.00	150.00	150.00
688703	02/13/13	JPH	Review and revise fee applications and notice form (.3); correspondence to/from trustee re approval of same (.1).		0.40	495.00	198.00
688600	02/13/13	JSD	Revised notice of fee applilcation.		0.20	425.00	85.00
688114	02/15/13	DGG	Review and Analyze Pre-Bills. (.6) Calculate capped fees and populate spreadsheet re. same. (1.5)		2.10	150.00	315.00
685682	02/19/13	JNV			0.30	185.00	55.50

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<b>Fee ID</b>	<b>Date</b>	<b>Atty</b>	<b>Task:Activity</b>	<b>Hold</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
			Attention to interim compensation notices for December/January.				
688486	02/27/13	JPH			0.20	495.00	99.00
			Working on interim fee notices, including correspondence to/from trustee and to/from J. Vidovich re same, and conferences finalizing same with J. Vidovich and J. Dabbieri re same (.2).				
688671	02/28/13	JSD			1.20	425.00	510.00
			Updated fee notice and budget.				
<b>Total Fees</b>					<b>15.10</b>		<b>3,667.50</b>

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Matter ID: 554-14180

Draft Seq #

6

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

Re: Gardens

Billing Attorney: 2 - Hill, James P.

Bill Format: 9004

Billing Cycle: M

## Billing Comments

## Internal Comments

Fee App  
 CAR/EES \$375

## Billing Address(es)

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

## Billing &amp; Payment Recap

Total Billed Fees:	49,048.22	Combined Adv. Deposit Bal.:	0.00
Total Billed Costs:	369.71	Fee Adv. Deposit Bal.:	0.00
Total Billed Interest:	0.00	Cost Adv. Deposit Bal.:	0.00
Total Billed Retainer:	0.00	Trust Funds 1:	0.00
Total Collected:	49,417.93	Trust Funds 2:	0.00
Last Bill: 12/18/2012	1,260.00	Trust Funds 3:	0.00
Last Payment: 11/2/2012	64.00	Trust Funds 4:	0.00
Last Write-Off:			

## WIP &amp; A/R Aging

As of 2/28/2013	Total	Fees	Costs	Interest	Retainer	Aging			
						0-30	31-60	61-90	91+
WIP	34,985.00	34,985.00	0.00	0.00	0.00	34,985.00	0.00	0.00	0.00
A/R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## Fee Recap - Actual Hourly Rate

Timekeeper	Hours	Rate	Amount	On Hold			To Bill		
				Hours	Rate	Amount	Hours	Rate	Amount
JPH	18.00	247.50	4,455.00				18.00	247.50	4,455.00
JPH	34.90	495.00	17,275.50				34.90	495.00	17,275.50
JLM	16.50	235.00	3,877.50				16.50	235.00	3,877.50
JLM	14.70	470.00	6,909.00				14.70	470.00	6,909.00
JSD	3.50	425.00	1,487.50				3.50	425.00	1,487.50
JNV	5.30	185.00	980.50				5.30	185.00	980.50
<b>Total WIP Fees</b>	<b>92.90</b>		<b>34,985.00</b>				<b>92.90</b>		<b>34,985.00</b>
<b>Total WIP</b>			<b>34,985.00</b>			<b>0.00</b>			<b>34,985.00</b>

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

Matter ID: 554-14180

Draft Seq #

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**Billing Instructions**

☐ Bill Fees
 ☐ Write off Fees
 ☐ Send Statement Only
 ☐ Bill Costs
 ☐ Write off Costs

☐ Apply Adv. Deposit: ☐ All or Other Amount \_\_\_\_\_

**Fee Detail**

Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
688133	02/01/13	JPH			0.60	495.00	297.00
			Brief status meeting with trustee re Gardens' and Parliament House issues (.2); multiple correspondence to/from Florida counsel Bob Higgins re same (.2); review and provide background data to Florida counsel re loans, parties involved (.2).				
688690	02/04/13	JPH			0.20	495.00	99.00
			Correspondence to/from Florida counsel and to/from D. Rentz re possible receivership proceeding in Florida re Gardens loans (.2).				
688689	02/04/13	JPH			0.30	495.00	148.50
			Meeting with trustee re status and to do list, including review of Gardens and Marlton loans (.5).				
688258	02/06/13	JPH			0.30	495.00	148.50
			Correspondence to/from D. Rentz and to/from Attorney B. Higgins re Orlando meeting re receivership for Gardens Loans and Parliament House (.2); telephone conference with trustee re same (.1).				
688350	02/08/13	JPH			0.20	495.00	99.00
			Telephone conferences and correspondence to/from trustee and D. Rentz re Florida meetings, retention of receivership counsel and receiver (.2).				
688376	02/11/13	JPH			0.60	495.00	297.00
			Multiple correspondence to/from D. Rentz, trustee, and Florida attorneys re Gardens meetings, issues, background facts (.3); meeting with trustee re same, action items (.2); follow-up meeting re same with J. Marshall (.1).				
687698	02/11/13	JLM			1.00	470.00	470.00
			Research into title issues regarding The Gardens (.7); conference with Mr. Hill (.3)				
688392	02/12/13	JPH			6.20	495.00	3,069.00
			Review loan and title issues, loan files and background documents, including multiple correspondence to/from D. Rentz and trustee (.7); pull and review files, telephone conferences with and correspondence to/from Florida counsel (B. Higgins and J. Johnson) re background facts, Florida foreclosure and receivership laws and remedies (1.5); conference with trustee and J. Dabbieri re same, including for part conference call with trustee, J. Dabbieri, R. Leeds, D. Cangelosi re Gardens Loans recommendations, investigation, settlement discussions with underlying debtor/borrower (1.5); further file review re multiple Gardens loans (1.5); and meeting with trustee re same (1.0).				
688587	02/12/13	JSD			0.50	425.00	212.50
			Telephone conference with Trustee and ARC parties re loan status.				
688700	02/13/13	JPH			2.50	495.00	1,237.50
			Telephone conferences (2x) with trustee re Gardens loans, follow-up with Florida counsel and D. Rentz (.3); multiple correspondence to/from Trustee, D. Rentz and Florida counsel (.2); telephone conference with Attorney B. Higgins re background facts, alternatives, Florida law and procedures (.5); telephone conference with trustee re same, Florida meetings (.2); draft status report to trustee				

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Draft Seq #

6

Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
			re Florida issues (.3); further telephone conferences with and correspondence to/from D. Rentz re Florida meetings, settlement discussions (.3); preparation for Florida meetings, planning and background file review (.7).				
688183	02/13/13	JLM			0.50	470.00	235.00
			Conference call with Mr. Hill and Mr. Higgins regarding foreclosure/receivership action in Florida				
688708	02/14/13	JPH			3.40	495.00	1,683.00
			Planning for meetings and site inspections in Florida, including telephone conferences with Florida Counsel, with D. Rentz and with trustee; continue review of background documents, title documents and correspondence re same (3.4).				
688191	02/14/13	JLM			2.90	470.00	1,363.00
			Review title documentation regarding Parliament House and The Gardens property				
688724	02/15/13	JPH			0.50	495.00	247.50
			Continue preparation for Florida meetings and site visits, including conferences with Trustee Leonard and J. Marshall re same and re title issues (.5).				
688194	02/15/13	JLM			1.50	470.00	705.00
			Further research into title issues on Florida property (.8); review materials from original analysis (.7)				
688422	02/19/13	JPH			1.50	495.00	742.50
			Planning and documents for Florida visit and meetings, including correspondence to/from trustee, to/from R. Block, to/from D. Rentz re same (1.3); further planning telephone conference with trustee (.2).				
688619	02/19/13	JSD			0.50	425.00	212.50
			Considered material re Gardens loans and parcels.				
685701	02/20/13	JNV			4.80	185.00	888.00
			Review and organize loan documentation for the three Gardens properties, confer with J. Hill re same.				
688446	02/20/13	JPH			3.50	495.00	1,732.50
			Prepare for meeting/travel to Florida re Gardens Loans, including telephone conferences with and correspondence to/from trustee, D. Rentz, R. Block, B. Higgins, J. Johnson and J. Marshall re same, including review and forward voluminous records and title documents for meetings (3.5).				
688626	02/20/13	JSD			0.10	425.00	42.50
			Memorandum re consulting with B&B DL re proceeding on Gardens.				
688627	02/20/13	JSD			1.70	425.00	722.50
			Reviewed files to determine if additional information should be provided to local counsel.				
688628	02/20/13	JSD			0.70	425.00	297.50
			Reviewed additional background reports re properties.				
688149	02/20/13	JLM			1.30	470.00	611.00
			Further review and research into title issues				
685704	02/21/13	JNV			0.50	185.00	92.50
			Review and organize Gardens Timeshare loan documentation.				
688451	02/21/13	JPH			8.00	247.50	1,980.00

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

Matter ID: 554-14180

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Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
			Travel to Florida for meetings with trustee, D. Rentz, R. Block and Florida counsel re ARC's interests in Gardens and Parliament House loans, and re Lake Helens properties, and for site visits at various properties. (8.0 hours-billed at 1/2 hourly rates).				
688355	02/21/13	JLM			8.00	235.00	1,880.00
			Travel to Florida for meetings with Trustee Leonard, David Rentz, Richard Block and Florida counsel re ARC's interests in Gardens and Parliament House loans, and re Lake Helen's properties and site visits at various properties (8.0 hours billed at 1/2 hourly rates)				
688362	02/22/13	JLM			1.00	470.00	470.00
			Meeting in Florida with Trustee Leonard and Florida counsel in preparation for meetings with Mr. Rentz and Mr. Block re Gardens and Parliament House loans				
688454	02/22/13	JPH			3.00	495.00	1,485.00
			Meeting in Florida with Trustee Leonard and Florida counsel in preparation for meetings with Mr. Rentz and Mr. Block re Gardens and Parliament House loans, review files and records for same (3.0).				
688457	02/23/13	JPH			7.50	495.00	3,712.50
			Prepare for and meeting in Florida with Trustee Leonard, J. Marshall (for part), D. Rentz, R. Block, B. Higgins, and J. Johnson re Gardens and Parliament House loans, Florida foreclosure procedures and remedies, negotiations with borrowers and guarantors, alternatives and strategies, discovery, remedies (3.5); site visits in Orlando of Parliament House and Gardens Timeshare properties (4.0).				
688203	02/23/13	JLM			6.50	470.00	3,055.00
			Prepare for and meeting in Florida with Trustee Leonard, David Rentz and his advisors and Bob Higgins and Jason Johnson regarding Parliament House and Gardens loans, Florida foreclosure procedures and remedies, negotiations with borrowers and guarantors, alternatives and strategies, discovery remedies (2.5); Site visits in Orlando of Parliament House and Gardens timeshare properties (4.0)				
688460	02/24/13	JPH			10.00	247.50	2,475.00
			Return travel from Florida site visits with Trustee Leonard, including conferences with trustee re alternatives re properties and remedies (10.0 billed at 1/2 normal hourly rates).				
688459	02/24/13	JPH			4.00	495.00	1,980.00
			Continue Orlando site visit and meetings (4.0).				
688204	02/24/13	JLM			8.50	235.00	1,997.50
			Return travel from Florida site visits (billed at 1/2 normal hourly rates)				
688732	02/25/13	JPH			0.40	495.00	198.00
			Telephone conference with trustee re site visit, next steps re discovery and remedies re Florida properties (.2); conference with J. Dabbieri re same (.2).				
688461	02/26/13	JPH			0.20	495.00	99.00
			Telephone conference with trustee re Gardens and Parliament House loans, and enforcement remedies (.2).				
Total Fees					92.90		34,985.00

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Matter ID: 554-15015

Draft Seq #

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Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

Re: Margarita Annex

Billing Attorney: 2 - Hill, James P.

Bill Format: 9004

Billing Cycle: M

## Billing Comments

## Internal Comments

Fee App  
 CAR/EES \$375

## Billing Address(es)

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

## Billing &amp; Payment Recap

Total Billed Fees:	25,372.50	Combined Adv. Deposit Bal.:	0.00
Total Billed Costs:	1,652.10	Fee Adv. Deposit Bal.:	0.00
Total Billed Interest:	0.00	Cost Adv. Deposit Bal.:	0.00
Total Billed Retainer:	0.00	Trust Funds 1:	0.00
Total Collected:	27,024.35	Trust Funds 2:	0.00
Last Bill: 12/18/2012	4,259.10	Trust Funds 3:	0.00
Last Payment: 11/2/2012	1,144.00	Trust Funds 4:	0.00
Last Write-Off: 12/20/2012	0.25		

## WIP &amp; A/R Aging

As of 2/28/2013	Total	Fees	Costs	Interest	Retainer	Aging			
						0-30	31-60	61-90	91+
WIP	5,489.00	5,489.00	0.00	0.00	0.00	5,489.00	0.00	0.00	0.00
A/R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## Fee Recap - Actual Hourly Rate

Timekeeper	Hours	Rate	Amount	On Hold			To Bill		
				Hours	Rate	Amount	Hours	Rate	Amount
JPH	0.30	495.00	148.50				0.30	495.00	148.50
JSD	12.00	425.00	5,100.00				12.00	425.00	5,100.00
KAM	0.70	185.00	129.50				0.70	185.00	129.50
JNV	0.60	185.00	111.00				0.60	185.00	111.00
<b>Total WIP Fees</b>	<b>13.60</b>		<b>5,489.00</b>				<b>13.60</b>		<b>5,489.00</b>
<b>Total WIP</b>			<b>5,489.00</b>			<b>0.00</b>			<b>5,489.00</b>



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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

Matter ID: 554-15015

Draft Seq # 11

**Billing Instructions**

☐ Bill Fees
 ☐ Write off Fees
 ☐ Send Statement Only
 ☐ Bill Costs
 ☐ Write off Costs

☐ Apply Adv. Deposit: ☐ All or Other Amount \_\_\_\_\_

**Fee Detail**

Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
688559	02/07/13	JSD			0.40	425.00	170.00
			Memorandum to Frank Majorie re trial preparation for Leonard ads. McGrane.				
688602	02/13/13	JSD			0.90	425.00	382.50
			Researched right of non-admitted attorney to participate in California based arbitration.				
686876	02/25/13	KAM			0.10	185.00	18.50
			Review correspondence regarding one action rule and ability to appoint receiver in adversary proceeding.				
686877	02/25/13	KAM			0.50	185.00	92.50
			Research regarding ability to appoint a receiver in adversary proceeding.				
686878	02/25/13	KAM			0.10	185.00	18.50
			Draft correspondence regarding ability to appoint receiver in adversary proceeding.				
688652	02/25/13	JSD			3.60	425.00	1,530.00
			Researched and memorandum re potential one form of action violations in proposed complaint.				
688653	02/25/13	JSD			0.20	425.00	85.00
			Considered authority of a bankruptcy court to install a receiver over a non-debtor.				
688738	02/25/13	JPH			0.30	495.00	148.50
			Conference with J. Dabbieri re Margarita loan complaint, bankruptcy issues, and research re receiver issue (.3).				
688669	02/27/13	JSD			0.10	425.00	42.50
			Memorandum to Mr. Mjaorie re witness and exhibit list in Leonard adv. McGrane.				
688670	02/27/13	JSD			5.60	425.00	2,380.00
			Reviewed files and e-mails to assist in preparation of witness and exhibit list.				
685795	02/28/13	JNV			0.60	185.00	111.00
			Review, revise and finalize Trustee's Initial List of Witnesses and Exhibit List (.4); Electronically file and serve same (.2).				
688673	02/28/13	JSD			0.80	425.00	340.00
			Provided additional material for use in witness and exhibit lists.				
688674	02/28/13	JSD			0.40	425.00	170.00
			Finalized witness and exhibit lists for filing.				
<b>Total Fees</b>					<b>13.60</b>		<b>5,489.00</b>

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

Matter ID: 554-14456

Draft Seq #

9

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

Re: Marlton Square

Billing Attorney: 2 - Hill, James P.

Bill Format: 9004

Billing Cycle: M

## Billing Comments

## Internal Comments

Fee App  
 CAR/EES \$375

## Billing Address(es)

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

## Billing &amp; Payment Recap

Total Billed Fees:	6,315.35	Combined Adv. Deposit Bal.:	0.00
Total Billed Costs:	0.00	Fee Adv. Deposit Bal.:	0.00
Total Billed Interest:	0.00	Cost Adv. Deposit Bal.:	0.00
Total Billed Retainer:	0.00	Trust Funds 1:	0.00
Total Collected:	6,315.35	Trust Funds 2:	0.00
Last Bill: 12/18/2012	23.50	Trust Funds 3:	0.00
Last Payment: 9/10/2012	60.00	Trust Funds 4:	0.00
Last Write-Off:			

## WIP &amp; A/R Aging

As of 2/28/2013	Total	Fees	Costs	Interest	Retainer	Aging			
						0-30	31-60	61-90	91+
WIP	297.00	297.00	0.00	0.00	0.00	297.00	0.00	0.00	0.00
A/R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## Fee Recap - Actual Hourly Rate

Timekeeper	Hours	Rate	Amount	On Hold		Amount	To Bill		Amount
				Hours	Rate		Hours	Rate	
JPH	0.60	495.00	297.00				0.60	495.00	297.00
<b>Total WIP Fees</b>	<b>0.60</b>		<b>297.00</b>				<b>0.60</b>		<b>297.00</b>
<b>Total WIP</b>			<b>297.00</b>			<b>0.00</b>			<b>297.00</b>

## Billing Instructions

☐ Bill Fees
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☐ Apply Adv. Deposit: ☐ All or Other Amount \_\_\_\_\_

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

**Matter ID: 554-14456**

Draft Seq # 9

Fee Detail							
Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
689577	02/04/13	JPH	Meeting with trustee re status and to do list, including review of Gardens and Marlton loans (.3).		0.30	495.00	148.50
688391	02/12/13	JPH	Conference call with trustee and D. Rentz re Marlton update (.1).		0.10	495.00	49.50
688423	02/19/13	JPH	Review CMM status report re Marlton (.2).		0.20	495.00	99.00
Total Fees					0.60		297.00

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

Matter ID: 554-14440

Draft Seq #

8

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

Re: Claims held by ARC v. Loans

Billing Attorney: 2 - Hill, James P.

Bill Format: 9004

Billing Cycle: M

## Billing Comments

## Internal Comments

Fee App  
 CAR/EES \$375

## Billing Address(es)

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

## Billing &amp; Payment Recap

Total Billed Fees:	11,558.65	Combined Adv. Deposit Bal.:	0.00
Total Billed Costs:	0.00	Fee Adv. Deposit Bal.:	0.00
Total Billed Interest:	0.00	Cost Adv. Deposit Bal.:	0.00
Total Billed Retainer:	0.00	Trust Funds 1:	0.00
Total Collected:	11,558.65	Trust Funds 2:	0.00
Last Bill: 12/18/2012	102.00	Trust Funds 3:	0.00
Last Payment: 11/2/2012	64.00	Trust Funds 4:	0.00
Last Write-Off:			

## WIP &amp; A/R Aging

As of 2/28/2013	Total	Fees	Costs	Interest	Retainer	Aging			
						0-30	31-60	61-90	91+
WIP	127.50	127.50	0.00	0.00	0.00	127.50	0.00	0.00	0.00
A/R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## Fee Recap - Actual Hourly Rate

Timekeeper	Hours	Rate	Amount	On Hold		Amount	To Bill		
				Hours	Rate		Hours	Rate	Amount
JSD	0.30	425.00	127.50				0.30	425.00	127.50
<b>Total WIP Fees</b>	<b>0.30</b>		<b>127.50</b>				<b>0.30</b>		<b>127.50</b>
<b>Total WIP</b>			<b>127.50</b>			<b>0.00</b>			<b>127.50</b>

## Billing Instructions

☐ Bill Fees
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 ☐ Write off Costs  
☐ Apply Adv. Deposit: ☐ All or Other Amount \_\_\_\_\_

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**Matter ID: 554-14440**

Draft Seq #

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Fee Detail							
Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
688594	02/12/13	JSD			0.30	425.00	127.50
Memoranda re estate holdings in San Diego in response to notice of property tax sale auction.							
Total Fees					0.30		127.50

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

Matter ID: 554-15003

Draft Seq # 10

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

**Re: Claims Analysis/Objections**

Billing Attorney: 2 - Hill, James P.

Bill Format: 9004

Billing Cycle: M

**Billing Comments****Internal Comments**

Fee App  
 CAR/EES \$375

**Billing Address(es)**

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

**Billing & Payment Recap**

Total Billed Fees:	41,882.40	Combined Adv. Deposit Bal.:	0.00
Total Billed Costs:	1,825.22	Fee Adv. Deposit Bal.:	0.00
Total Billed Interest:	0.00	Cost Adv. Deposit Bal.:	0.00
Total Billed Retainer:	0.00	Trust Funds 1:	0.00
Total Collected:	43,707.62	Trust Funds 2:	0.00
Last Bill: 12/19/2012	664.50	Trust Funds 3:	0.00
Last Payment: 9/10/2012	64.00	Trust Funds 4:	0.00
Last Write-Off:			

**WIP & A/R Aging****Aging**

As of 2/28/2013	Total	Fees	Costs	Interest	Retainer	0-30	31-60	61-90	91+
WIP	2,578.50	2,578.50	0.00	0.00	0.00	2,578.50	0.00	0.00	0.00
A/R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

**Fee Recap - Actual Hourly Rate**

Timekeeper	Hours	Rate	Amount	On Hold			To Bill		
				Hours	Rate	Amount	Hours	Rate	Amount
JSD	4.50	425.00	1,912.50				4.50	425.00	1,912.50
JNV	3.60	185.00	666.00				3.60	185.00	666.00
<b>Total WIP Fees</b>	<b>8.10</b>		<b>2,578.50</b>				<b>8.10</b>		<b>2,578.50</b>
<b>Total WIP</b>			<b>2,578.50</b>			<b>0.00</b>			<b>2,578.50</b>

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

**Matter ID: 554-15003**

Draft Seq # 10

**Billing Instructions**

☐ Bill Fees
 ☐ Write off Fees
 ☐ Send Statement Only
 ☐ Bill Costs
 ☐ Write off Costs

☐ Apply Adv. Deposit: ☐ All or Other Amount \_\_\_\_\_

**Fee Detail**

Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
688663	02/27/13	JSD	Analyzed claim objection status and prepared status report.		4.30	425.00	1,827.50
688664	02/27/13	JSD	Memorandum to Mr. Majorie re Akerman claim against estate.		0.20	425.00	85.00
685793	02/28/13	JNV	Review and revise claims analysis for each of the jointly administered cases.		3.60	185.00	666.00
<b>Total Fees</b>					<b>8.10</b>		<b>2,578.50</b>

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

Matter ID: 554-15306

Draft Seq #

12

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

**Re: Preference Actions**

Billing Attorney: 2 - Hill, James P.

Bill Format: 9004

Billing Cycle: M

**Billing Comments****Internal Comments**

Fee App  
 CAR/EES \$375

**Billing Address(es)**

Asset Resolution, LLC  
 c/o William A. Leonard, Jr., Trustee  
 6625 South Valley View, Bldg B, Ste. 224  
 Las Vegas, NV 89118

**Billing & Payment Recap**

Total Billed Fees:	27,303.13	Combined Adv. Deposit Bal.:	0.00
Total Billed Costs:	49.78	Fee Adv. Deposit Bal.:	0.00
Total Billed Interest:	0.00	Cost Adv. Deposit Bal.:	0.00
Total Billed Retainer:	0.00	Trust Funds 1:	0.00
Total Collected:	27,352.91	Trust Funds 2:	0.00
Last Bill: 12/19/2012	1,684.13	Trust Funds 3:	0.00
Last Payment: 11/2/2012	360.00	Trust Funds 4:	0.00
Last Write-Off:			

**WIP & A/R Aging**

As of 2/28/2013	Total	Fees	Costs	Interest	Retainer	Aging			
						0-30	31-60	61-90	91+
WIP	4,422.00	4,422.00	0.00	0.00	0.00	4,422.00	0.00	0.00	0.00
A/R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

**Fee Recap - Actual Hourly Rate**

Timekeeper	Hours	Rate	Amount	On Hold			To Bill		
				Hours	Rate	Amount	Hours	Rate	Amount
JPH	0.20	495.00	99.00				0.20	495.00	99.00
JSD	4.60	425.00	1,955.00				4.60	425.00	1,955.00
JNV	12.80	185.00	2,368.00				12.80	185.00	2,368.00
<b>Total WIP Fees</b>	<b>17.60</b>		<b>4,422.00</b>				<b>17.60</b>		<b>4,422.00</b>
<b>Total WIP</b>			<b>4,422.00</b>			<b>0.00</b>			<b>4,422.00</b>



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Draft Seq #

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**Billing Instructions**

☐ Bill Fees
 ☐ Write off Fees
 ☐ Send Statement Only
 ☐ Bill Costs
 ☐ Write off Costs

☐ Apply Adv. Deposit: ☐ All or Other Amount \_\_\_\_\_

**Fee Detail**

Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
685539	02/06/13	JNV			0.50	185.00	92.50
			Revise, finalize and electronically file Notice of Voluntary Dismissal of I.W. Osborne adversary proceeding and Order thereon.				
688544	02/06/13	JSD			0.30	425.00	127.50
			Reviewed proposed notice of voluntary dismissal and proposed order of dismissal.				
688547	02/06/13	JSD			0.30	425.00	127.50
			Memoranda to Aaron Gottlieb re filing dismissals of adversary proceedings.				
688551	02/06/13	JSD			0.20	425.00	85.00
			Reviewed and memorandum re dismissal of Osborne action.				
688552	02/06/13	JSD			0.10	425.00	42.50
			Memorandum to Mr. Gottlieb confirming filing of motion to dismiss.				
688553	02/06/13	JSD			0.20	425.00	85.00
			Memorandum to Mr. Gottlieb re deferring filing of additional dismissal requests.				
685605	02/11/13	JNV			0.70	185.00	129.50
			Revise, finalize Notice of Voluntary Dismissal and Order thereon for Kroll adversary (.3); electronically file same (.2); prepare foregoing for service (.2).				
685606	02/11/13	JNV			0.70	185.00	129.50
			Revise, finalize Notice of Voluntary Dismissal and Order thereon for Patterson Belknap adversary (.3); electronically file same (.2); prepare foregoing for service (.2).				
685607	02/11/13	JNV			0.30	185.00	55.50
			Prepare service of Notice of Voluntary Dismissal and Order thereon for I.W. Osborne adversary (.3).				
685608	02/11/13	JNV			0.70	185.00	129.50
			Revise, finalize Notice of Voluntary Dismissal and Order thereon for Westwood Capital adversary (.3); electronically file same (.2); prepare foregoing for service (.2).				
685609	02/11/13	JNV			0.70	185.00	129.50
			Revise, finalize Notice of Voluntary Dismissal and Order thereon for Great White Investments adversary (.3); electronically file same (.2); prepare foregoing for service (.2).				
685610	02/11/13	JNV			0.70	185.00	129.50
			Revise, finalize Notice of Voluntary Dismissal and Order thereon for 1st Service adversary (.3); electronically file same (.2); prepare foregoing for service (.2).				
685611	02/11/13	JNV			0.70	185.00	129.50
			Revise, finalize Notice of Voluntary Dismissal and Order thereon for Kramer Levin adversary (.3); electronically file same (.2); prepare foregoing for service (.2).				
688583	02/11/13	JSD			0.20	425.00	85.00

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

Matter ID: 554-15306

Draft Seq # 12

Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
			Reviewed First Service dismissal motion.				
688584	02/11/13	JSD			0.10	425.00	42.50
			Reviewed motion to dismiss Patterson adversary.				
685612	02/12/13	JNV			0.70	185.00	129.50
			Revise, finalize Notice of Voluntary Dismissal and Order thereon for Ellenoff Grossman adversary (.3); electronically file same (.2); prepare foregoing for service (.2).				
688595	02/12/13	JSD			0.20	425.00	85.00
			Reviewed Elenoff dismissal motionl				
688633	02/21/13	JSD			0.40	425.00	170.00
			Researched status of service of Thompson Hine and Sullivan actions.				
688634	02/21/13	JSD			0.40	425.00	170.00
			Memoranda re service of Thompson and Sullivan lawsuits.				
688650	02/25/13	JSD			0.20	425.00	85.00
			Reviewed motion to dismiss Conoway adversary action.				
688651	02/25/13	JSD			0.20	425.00	85.00
			Memorandum to Mr. Riley confirming dismissal of First Service adversary action.				
685746	02/26/13	JNV			0.80	185.00	148.00
			Prepare Notice of Entry of Order of Dismissal re Kroll, Inc. (.3); Prepare Certificate of Service of same (.2); Electronically file and serve foregoing (.3).				
685748	02/26/13	JNV			0.80	185.00	148.00
			Prepare Notice of Entry of Order of Dismissal re Patterson Belknap (.3); Prepare Certificate of Service of same (.2); Electronically file and serve foregoing (.3).				
685750	02/26/13	JNV			0.80	185.00	148.00
			Prepare Notice of Entry of Order of Dismissal re Ellenoff (.3); Prepare Certificate of Service of same (.2); Electronically file and serve foregoing (.3).				
685751	02/26/13	JNV			0.80	185.00	148.00
			Prepare Notice of Entry of Order of Dismissal re I.W. Osborne (.3); Prepare Certificate of Service of same (.2); Electronically file and serve foregoing (.3).				
685752	02/26/13	JNV			0.80	185.00	148.00
			Prepare Notice of Entry of Order of Dismissal re Westwood Capital (.3); Prepare Certificate of Service of same (.2); Electronically file and serve foregoing (.3).				
685753	02/26/13	JNV			0.80	185.00	148.00
			Prepare Notice of Entry of Order of Dismissal re Great White Investments (.3); Prepare Certificate of Service of same (.2); Electronically file and serve foregoing (.3).				
685754	02/26/13	JNV			0.60	185.00	111.00
			Prepare Notice of Entry of Order of Dismissal re 1st Service (.2); Prepare Certificate of Service of same (.2); Electronically file and serve foregoing (.2).				
685755	02/26/13	JNV			0.50	185.00	92.50
			Prepare Notice of Entry of Order of Dismissal re Kramer Levin (.2); Prepare Certificate of Service of same (.1); Electronically file and serve foregoing (.2).				

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Draft for Work-In-Process From 2/1/2013 Through 2/28/2013

Matter ID: 554-15306

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Fee ID	Date	Atty	Task:Activity	Hold	Hours	Rate	Amount
685760	02/26/13	JNV			0.60	185.00	111.00
			Revise, finalize Agreed Motion to Dismiss Conway MacKenzie adversary (.3); prepare certificate of service of same (.1); electronically file and serve foregoing (.2).				
688658	02/26/13	JSD			0.60	425.00	255.00
			Reviewed file are contact with Sullivan counsel and memorandum about inability to request its default.				
688659	02/26/13	JSD			0.30	425.00	127.50
			Telephone conference with assistant with Mr. Panish re default by Sullivan.				
688467	02/26/13	JPH			0.20	495.00	99.00
			Attention to multiple dismissals of adversaries, including correspondence to/from trustee re same (.2).				
685791	02/27/13	JNV			0.60	185.00	111.00
			Revise, finalize Agreed Motion to Dismiss Kolesary & Leatham adversary (.3); prepare certificate of service of same (.1); electronically file and serve foregoing (.2).				
688665	02/27/13	JSD			0.10	425.00	42.50
			Reviewed Kolesar dismissal.				
688666	02/27/13	JSD			0.30	425.00	127.50
			Memorandum to Mr. Panish re intent to request default of Sullivan.				
688667	02/27/13	JSD			0.20	425.00	85.00
			Memorandum to Mr. Majorie re inquiry by Mr. Panish concerning Sullivan.				
688668	02/27/13	JSD			0.30	425.00	127.50
			Reviewed numerous memoranda re settlement payment and dismissal of action.				
Total Fees					17.60		4,422.00

**EXHIBIT B**

## EXHIBIT B

SULLIVAN HILL'S ESTIMATED FEES AND COSTS  
FEBRUARY 2013 SUMMARY BUDGET

Billing Category	February 2013 USUAL & CUSTOMARY Fees	February 2013 CAPPED Fees	80% of CAPPED Fees	February 2013 Costs	Estimated Fees and Costs MARCH & APRIL 2013
Asset Resolution, LLC General Administration	\$ 3,390.50	\$ 3,248.75	\$ 2,599.00	\$ 1,224.89	\$5,000 to \$10,000
Bundy 2.5M SPE, LLC 09-32831	\$ -	\$ -	\$ -	\$ -	NOMINAL
Bundy 5M SPE, LLC 09-32839	\$ -	\$ -	\$ -	\$ -	NOMINAL
CFP Anchor B SPE 09-32843	\$ -	\$ -	\$ -	\$ -	NOMINAL
CFP Cornman Toltec SPE 09-32844	\$ -	\$ -	\$ -	\$ -	NOMINAL
CFP Gess SPE 09-32846	\$ 49.50	\$ 40.00	\$ 32.00	\$ -	\$10,000 to \$14,000
CFP Gramercy SPE 09-32849	\$ -	\$ -	\$ -	\$ -	NOMINAL
Fiesta Stoneridge 09-32851	\$ -	\$ -	\$ -	\$ -	NOMINAL
Fox Hills SPE 09-32853	\$ 3,843.50	\$ 3,610.00	\$ 2,888.00	\$ -	\$5,000 to \$10,000
HFAH Monaco SPE 09-32868	\$ -	\$ -	\$ -	\$ -	\$1,000.00
Huntsville SPE 09-32873	\$ -	\$ -	\$ -	\$ -	NOMINAL
Lake Helen Partners SPE 09-32875	\$ 6,012.00	\$ 5,120.00	\$ 4,096.00	\$ -	\$5,000 to \$10,000
Ocean Atlantic SPE 09-32878	\$ -	\$ -	\$ -	\$ -	NOMINAL
Shamrock SPE 09-32880	\$ -	\$ -	\$ -	\$ -	NOMINAL
10-90 SPE 09-32882	\$ -	\$ -	\$ -	\$ -	NOMINAL
ARC v. 1823 Corp., Adv #09-01410	\$ -	\$ -	\$ -	\$ -	NONE
Leonard v. Silar, Adv. #11-01100	\$ -	\$ -	\$ -	\$ -	NOMINAL
USA Commercial Mortgage, USDC #07-00892	\$ -	\$ -	\$ -	\$ -	\$5,000 to \$10,000
Appeals Litigation	\$ 85.00	\$ 80.00	\$ 64.00	\$ -	\$1,000.00
USA Commercial Mortgage, USBC #06-10725	\$ -	\$ -	\$ -	\$ -	NOMINAL
Financial Documents/Turnover Demands/R2004 Discovery	\$ -	\$ -	\$ -	\$ -	NOMINAL
State Court Actions	\$ -	\$ -	\$ -	\$ -	NOMINAL
Fee Applications	\$ 3,667.50	\$ 2,620.00	\$ 2,096.00	\$ -	\$2,000.00
Florida Tax Sale	\$ -	\$ -	\$ -	\$ -	NOMINAL
BarUSA	\$ -	\$ -	\$ -	\$ -	NOMINAL
Bay Pompano	\$ -	\$ -	\$ -	\$ -	NOMINAL
Binford Medical	\$ -	\$ -	\$ -	\$ -	NOMINAL
Brookemere	\$ -	\$ -	\$ -	\$ -	NOMINAL
Castaic (including Barkett litigation)	\$ -	\$ -	\$ -	\$ -	\$5,000 to \$7,000
Comvest	\$ -	\$ -	\$ -	\$ -	NOMINAL
Copper Sage	\$ -	\$ -	\$ -	\$ -	NOMINAL
Fiesta Murrieta	\$ -	\$ -	\$ -	\$ -	NOMINAL
Fiesta Murrieta - Ashby/Redman	\$ -	\$ -	\$ -	\$ -	NOMINAL
Fiesta Murrieta - Clevenger	\$ -	\$ -	\$ -	\$ -	NOMINAL
Gardens	\$ 34,985.00	\$ 30,102.50	\$ 24,082.00	\$ -	\$10,000 to \$15,000
Harbor Georgetown	\$ -	\$ -	\$ -	\$ -	NOMINAL
HFA Clear Lake	\$ -	\$ -	\$ -	\$ -	NOMINAL
Margarita Annex	\$ 5,489.00	\$ 5,050.00	\$ 4,040.00	\$ -	\$5,000 to \$8,000
Marlton Square	\$ 297.00	\$ 240.00	\$ 192.00	\$ -	NOMINAL
Palm Harbor	\$ -	\$ -	\$ -	\$ -	NOMINAL
University Estates	\$ -	\$ -	\$ -	\$ -	NOMINAL
Claims held by ARC v. SPEs	\$ -	\$ -	\$ -	\$ -	NOMINAL
Claims held by ARC v. Loans	\$ 127.50	\$ 120.00	\$ 96.00	\$ -	\$1,000.00
Claims Analysis/Objections	\$ 2,578.50	\$ 2,160.00	\$ 1,728.00	\$ -	\$5,000 to \$10,000
Preference Actions	\$ 4,422.00	\$ 3,200.00	\$ 2,560.00	\$ -	\$3,000.00
Malpractice Actions	\$ -	\$ -	\$ -	\$ -	\$3,000 to \$5,000
<b>Total</b>	<b>\$ 64,947.00</b>	<b>\$ 55,591.25</b>	<b>\$ 44,473.00</b>	<b>\$ 1,224.89</b>	

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**I. General Administration**

This subfile reflects charges for time and costs for ARC "general" matters, including items relating to ARC assets and property interests not limited to a particular property, as well as general administrative matters, and for the early time devoted to the ARC cases, reviewing files, recovering files and records and generally becoming familiar with the assets and liabilities of ARC and its related SPE debtors entities, and which are not readily attributable to other, more specific subfiles. In general, a subfile has been opened for each debtor in these jointly administered estates, as well as for each matter which is expected to require a significant amount of attention. Over the course of the administration of the estate additional subfiles are opened as appropriate. At the request and for the benefit of the Oak Shores direct lenders the trustee recently filed a motion requesting authorization to incur post-petition financing for the development of that property. The motion is currently pending before the court. Sullivan Hill estimates that it will incur approximately \$5,000 to \$10,000 in fees and costs in this General Administration category for the months of March and April 2013.

**II. Bundy 2.5M SPE, LLC, Case No. 09-32831**

Loan servicing responsibility for this loan and property interests have been moved to Cross FLS, as approved by order of this Court. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**III. Bundy 5M SPE, LLC, Case No. 09-32839**

Loan servicing responsibility for this loan and property interests have been moved to Cross FLS, as approved by order of this Court. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**IV. CFP Anchor B SPE, Case No. 09-32843**

This property and related loan interests were sold prior to the Trustee's appointment. This property may be entitled to a refund of certain property tax payments. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**V. CFP Cornman Toltec SPE, Case No. 09-32844**

The loan for this property was foreclosed upon prior to the Trustee's appointment and title is held by the related debtor SPE, CFP Cornman Toltec. The Trustee remains as loan servicer for this property pursuant to the Court's conversion order in these cases. The ARC estate holds a .08% interest as a direct lender. The Trustee has received inquiries concerning potential sale of this property but is deferring a substantive response in accordance with the approved settlement in the "892" action, discussed below. Sullivan Hill anticipates it will incur nominal, if any, fees and costs for the months of March and April 2013.

**VI. CFP Gess SPE, Case No. 09-32846**

This property and related loan interests were sold prior to the appointment of the Trustee. Various orders relating to the sale are on appeal to the United States Court of Appeal for the Ninth Circuit. Those appeals and other pending appeals have been consolidated at the Ninth Circuit and therefore the estimated attorneys' fees and costs relating to these appeals are budgeted in a separate subfile. The trustee is preparing a request for court authorization for him to distribute

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funds he is holding, per court instruction, from the property's sale. Sullivan Hill estimates it will incur \$10,000 to \$14,000 in fees and costs for the months of March and April, 2013.

**VII. CFP Gramercy SPE, Case No. 09-32849**

This loan for this property was foreclosed upon prior to the Trustee's appointment and title is held in the name of the related debtor SPE, CFP Gramercy. The ARC estate holds a 13.1% interest in the loan. The Court approved the Trustee's Motion to Sell the property, and conducted an auction of the property. The sale closed on October 20, 2010. The Trustee thereafter disbursed the bulk of \$15.8 million in net sale proceeds, net of court authorized claims and sale expenses, to various Direct Lender investors in the Gramercy loan. The Trustee participated in the resolution of claims between CCM Pathfinder Gramercy Court, LLC and its affiliates and Silar Advisors, LP, and its affiliates, to resolve conflicting claims to some of the proceeds held in reserve. A stipulation and order was submitted to the Court and has been entered. Under that order, the Trustee had some funds in reserve for the benefit of Silar. The Trustee recently released the reserved funds in accordance with instructions received from Silar, implementing the Pathfinder/Silar Settlement. As is explained more fully in section XVIII concerning the 892 Action, the Trustee has entered into a settlement, which has been approved by the Court, with the plaintiffs in the 892 Action as well as a number of other direct lenders represented by the law firm of Bickel & Brewer. The settlement has enabled the Trustee to resolve ARC's claims against the Gramercy loan proceeds for recoupment of servicing advances and servicing fees. The resolution of those claims has enabled the Trustee to make a further distribution of funds he held for the benefit of the Gramercy direct lenders. It has, however, been necessary to continue to hold in reserve some funds for potential payment of claims by other third parties against the collection proceeds. Sullivan Hill estimates that it will incur nominal, if any in fees and costs for the months of March and April 2013.

**VIII. Fiesta Stoneridge, Case No. 09-32851**

This property is held in the name of the related debtor SPE, Fiesta Stoneridge, following a pre-Trustee foreclosure sale. The ARC estate holds a 1.46% interest as a direct lender. Upon a vote of a majority in interest of the direct lenders, the court approved transfer of the estate's membership interest in the SPE (the estate is the sole member) to Vindrauga Corporation. Debt Acquisition Company of American V, LLC filed a motion to dismiss the bankruptcy, which the court has approved. The Trustee and DACA settled the estate's claims and administrative expenses related to the separate Fiesta Stoneridge bankruptcy estate. That settlement, which was approved by the Court, was superseded by a more global settlement, resolving not only the Trustee's claims against Fiesta Stoneridge, but also claims against the estate asserted by DACA and/or affiliated entities, and potentially claims between DACA and its affiliated entities and third parties, including Silar, certain direct lenders represented by the law firm of Bickel & Brewer, Boris Piskun, and others. That settlement was approved by the court. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**IX. Fox Hills SPE, Case No. 09-32853**

Loan servicing responsibility for this loan and property interests have been moved to Cross FLS, as approved by order of this Court. The ARC estate has a .1% interest in Fox Hill 216 LLC and an 11.76% interest in Eagle Meadows Development. The Trustee assisted Cross in obtaining the early release of certain monies held by the Sheppard Mullin law firm, to fund the sale of water rights owned by the LLC. The Trustee provided and is continuing to provide additional assistance to the direct lenders in their efforts to sell the property and associated water rights. As is explained more fully in section XVIII concerning the 892 Action, the Trustee has entered into a settlement, which has been approved by the



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Court, with the plaintiffs in the 892 Action as well as a number of other direct lenders represented by the law firm of Bickel & Brewer. The settlement has enabled the Trustee to resolve ARC's claims against the Fox Hills loan proceeds for recoupment of servicing advances and servicing fees. The resolution of those claims has enabled the Trustee to make a further distribution of funds he held for the benefit of the Fox Hills direct lenders. It has, however, been necessary to continue to hold in reserve some funds for potential payment of claims by other third parties against the collection proceeds. The Trustee is working with the direct lenders to recover funds retained in escrow when some of the land and water rights were sold, and to facilitate sale of the water rights associated with the remaining real property. That real property is also the subject of a mechanic's lien asserted by Kaweah Construction Company for work it performed on adjacent property. The mechanic's lien action is being defended by a title company pursuant to a reservation of rights. The retained defense counsel had obtained summary judgment extinguishing the lien. That judgment, however, was recently reversed on appeal and the case has been remanded to the trial court for further proceedings. Sullivan Hill estimates that it will incur \$5,000 to \$10,000 in fees and costs for the months of March and April 2013.

**X. HFAH Monaco SPE, Case No. 09-32868**

This property is 100% owned by the ARC estate but title is in the name of the SPE debtor, HFAH Monaco, having been foreclosed upon pre-Trustee. The Trustee has received inquiries concerning the potential sale of this property but is deferring a substantive response in accordance with the approved settlement in the "892" action as discussed below. Sullivan Hill estimates that it will incur less than \$1,000 in fees and costs for the months of March and April 2013.

**XI. Huntsville SPE, Case No. 09-32873**

This property and related loan interests have been sold and loan servicing responsibility for this loan has been moved to Cross FLS, as approved by this Court. Cross and the Trustee are working to resolve ARC's claim for servicing fees and for paid but unreimbursed servicing advances. As is explained more fully in section XVIII concerning the 892 Action, the Trustee has entered into a settlement, which has been approved by the Court, with the plaintiffs in the 892 Action as well as a number of other direct lenders represented by the law firm of Bickel & Brewer. The settlement has enabled the Trustee to resolve ARC's claims against the Huntsville loan proceeds for recoupment of servicing advances and servicing fees. The resolution of those claims has enabled the Trustee to make a further distribution of funds he held for the benefit of the Huntsville direct lenders. Sullivan Hill estimates that it will incur nominal, if any, in fees and costs for the months of March and April 2013.

**XII. Lake Helen Partners SPE, Case No. 09-32875**

Loan servicing responsibility for this loan and property interests has been moved to Cross FLS, as approved by order of this Court. The ARC estate holds a 28.84% interest in this SPE debtor. Citron Investment Group, LLC ("Citron") foreclosed upon the property as agent and Trustee for the direct lenders, including Asset Resolution. Although the foreclosure was completed, title was never transferred to Asset Resolution or Lake Helen Partners SPE and title to the property now stands in the name of Citron. When the property was at risk of being sold at a tax sale the Trustee filed an emergency motion and obtained a stay enjoining the sale. Citron sold a portion of the property to third parties and the trustee sued Citron and the third party purchasers (Adversary Case No. 11-01080-RCJ) to transfer title to all of the property to the SPE. Substantial discovery and other pretrial preparation was undertaken. Shortly before commencement of trial a tentative settlement was reached, under which Citron agreed to transfer to the SPE all of the property which remained in its name and agreed to pay the estate \$100,000.00 over time and pursuant to a secured promissory note. The defendants who purchased a portion of the land will pay \$30,000.00 and will retain title to the portion they purchased.

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The settlement is subject to court approval and the motion requesting court approval has been filed. The Trustee has recently received an inquiry from a prospective purchaser of some of the remaining land and has begun preliminary negotiations. Sullivan Hill estimates that it will incur approximately \$5,000 to \$10,000 in fees and costs for the months of March and April 2013 in resolving the adversary complaint against Citron and its principals and in investigating possible sale of all or some of the remaining land.

**XIII. Ocean Atlantic SPE, Case No. 09-32878**

The loan for this property was foreclosed upon prior to the Trustee's appointment. Loan servicing has been transferred to Cross. The ARC estate holds a 14.61% interest as a direct lender. It has recently been determined that upon foreclosure title to the property was taken in the name of ARC rather than the SPE. The Trustee sought and received court authorization to transfer title to the SPE. The transfer has now been accomplished. Cross facilitated a sale of the property by the direct lenders and asked the Trustee to seek court authorization to sign as seller. The Trustee did so and a court order authorizing the Trustee to sign as seller and to sell the estate's direct lender interest has been entered. The escrow has now closed. As is explained more fully in section XVIII concerning the 892 Action, the Trustee has entered into a settlement, which has been approved by the Court, with the plaintiffs in the 892 Action as well as a number of other direct lenders represented by the law firm of Bickel & Brewer. The settlement has enabled the Trustee to resolve ARC's claims against the Ocean Atlantic loan proceeds for recoupment of servicing advances and servicing fees. The resolution of those claims has enabled the Trustee to make a further distribution of funds he held for the benefit of the Ocean Atlantic direct lenders. Sullivan Hill estimates that it will incur nominal, if any, in fees and costs for the months of March and April 2013.

**XIV. Shamrock SPE, Case No. 09-32880**

The loan for this property was foreclosed upon prior to the Trustee's appointment and title is held by the related debtor SPE, Shamrock. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**XV. 10-90 SPE, Case No. 09-32882**

The Trustee remains in place as an interim loan servicer for this loan pursuant to this Court's conversion order. The ARC estate does not appear to have a direct lender interest in this loan. On behalf of the Direct Lenders, the Trustee filed a claim against the bankruptcy estate of Lawrence E. Redman (U.S. Bankruptcy Court, Central District of California, Case No. 2:08-BK-21925-ER), who guaranteed the loan. The claim was objected to and the Trustee spent considerable time defending the claim and negotiating a settlement. Both this Court and the court presiding over the Redman bankruptcy, as well as a majority in interest of the affected direct lenders, have approved the settlement. Sullivan Hill estimates it will incur nominal, if any, fees and costs for the months of March and April 2013.

**XVI. ARC v. 1823 Corp., Adv Case No. 09-01410**

This adversary action has been dismissed. No fees or costs are expected to be incurred on this matter.

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**XVII. Leonard v. Silar, et al., Adv. Case No. 11-01100**

This is an adversary action recently filed by the Trustee. The action seeks to recover from Silar and Servicing Oversight Solutions improper transfers/payments. It also seeks an order requiring Silar and Compass, as well as their principals, to indemnify Asset Resolution for the costs and expenses it's incurring in defending the "892 Action" (discussed in paragraph XVIII below, as well as for the adverse judgment.) The recently reached settlement in the 892 Action, discussed in section XVIII below, includes resolution of this adversary action. Accordingly, Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**XVIII. USA Commercial Mortgage, USDC Case No. 07-00892 (the "892 Action")**

One of the more time consuming matters for the Trustee has been litigation in the United States District Court for the District of Nevada as Case No. 07-00892 ("892 Action"). This action addresses claims by a number of individual Direct Lenders that Asset Resolution, Compass, and Silar committed erroneous and/or wrongful acts in the pre-bankruptcy servicing of some of the loans placed by USACM, after Compass purchased the servicing rights from USACM in its separate bankruptcy proceedings. Trial of this matter commenced on November 16, 2010 and was completed on December 14, 2010. It resulted in an award of compensatory damages against ARC in the sum of approximately \$54,000, and punitive damages of \$1,250,000. A number of post-trial motions have been filed by the parties, and the judgment may be appealed. Such an appeal would be in addition to interlocutory appeals which are already pending before the Ninth Circuit. The parties to this action engaged in extensive settlement negotiations to resolve this suit, the 11-01100 action, and other disputes. After protracted negotiations a tentative settlement was reached and a motion seeking Court approval of the proposed settlement was heard on April 12, 2012. The motion was granted and the settlement was approved. The parties then worked on preparation of the formal order, the liquidating/litigation trust agreement, and related documents. Preparation of the settlement documents has been very time consuming because of the complex nature of the issues involved, including the need to analyze the tax ramifications of the trust's funding and operation. The parties have submitted a proposed order and liquidating trust to the Court; however, due to objections to the form of the order its entry has been delayed. Those objections have been resolved and an agreed form of the order has been filed with the court and entered. One of the issues resolved by the settlement is the manner in which ARC's claims against the loans for servicing fees, servicing advances, and other charges are to be calculated and any disputes resolved. Although the Court order approving the settlement has been approved, the settling parties have agreed to go forward with the settlement and implement its terms. The trustee has distributed to the direct lenders associated with these loans for whom he holds funds, whether from the sale of the underlying security or otherwise, notices itemizing the charges to be assessed against that loan. The trustee has also obtained an *ex parte* order authorizing the distribution of those funds and those distributions have been made. Sullivan Hill estimates that in the months of March and April 2013, the Trustee will incur approximately \$5,000 to \$10,000 in litigation and settlement related fees and costs.

**XIX. Appeals Litigation**

Numerous appeals have been taken to the United States Court of Appeals for the Ninth Circuit, appealing orders entered both in the bankruptcy case and related adversary actions. On September 19, 2011 the Ninth Circuit issued its memorandum opinion resolving several of the appeals, affirming the district court as to three of the consolidated appeals, and dismissing the remaining three for lack of appellate jurisdiction. Sullivan Hill estimates that it will incur less than \$1,000 in fees and costs for the months of March and April 2013. Fees and costs that were incurred for the appeal of the sale of the Gramercy property (now dismissed) were budgeted in a separate subfile, paragraph VII above.

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**XX. USA Commercial Mortgage, USBC Case No. 06-10725**

This subfile refers to the bankruptcy proceedings filed by USA Commercial Mortgage. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**XXI. Financial Documents/Turnover Demands/R2004 Discovery**

As part of its investigation into preference, fraudulent transfer, and other avoidance actions which may be appropriate for the Trustee to undertake, the Trustee has noticed examinations of a number of entities persons and entities pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure. Because Asset Resolution's activities were nationwide, many of the entities to be deposed do not reside in Nevada and may have to be deposed in other states. Pending resolution of efforts to mediate many of the issues involved in the bankruptcy and related adversary actions, including the 892 Action, the Trustee deferred conducting the authorized examinations. With the settlement of the 892 Action the Trustee is weighing whether to conduct those examinations. Sullivan Hill therefore estimates it will incur nominal, if any, fees or costs in March and April 2013.

**XXII. State Court Actions**

Prior to the appointment of the Trustee, Asset Resolution commenced several state court actions against persons or entities who guaranteed the loans serviced by Asset Resolution. Two of these state court cases are *Compass FP Corp. v. Ashby et al.*, Orange County Superior Court No. 07 CC 09823, and *Compass v. Clevenger*, Contra Costa County Superior Court Case No. MSC07-02533. Responsibility for both cases has been transferred to Cross as the cases relate to the Fiesta Murrieta loan. The estimated attorneys' fees and costs relating to these actions are budgeted in separate subfiles.

**XXIII. Fee Applications**

Sullivan Hill estimates that it will incur approximately \$2,000 in fees and costs for the months of March and April 2013, relating to compliance with interim fee procedures, setting up various subfiles and noticing procedures, and generally implementing the fee procedures approved by the Court, as well as assisting the Trustee file and serve his own fee applications.

**XXIV. Florida Tax Sales**

Sullivan Hill estimates the estate will incur nominal, if any, fees and costs for the months of March and April 2013 relating to pending or threatened Florida tax sales which have threatened in the past not only ARC's direct lender interests, but also those of various third party direct lenders. Sullivan Hill has filed numerous Notices of Bankruptcy Filing and Imposition of the Automatic Stay pursuant to U.S.C. § 362.

**XXV. BarUSA**

The servicing of this loan has been transferred to Vindrauga Corporation. Sullivan Hill estimates that it will incur nominal, if any, in fees and costs for the months of March and April 2013.

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**XXVI. Bay Pompano**

This loan originated as a loan to Bay Pompano Beach, LLC (Bay Pompano), evidenced by a promissory note (the Note) dated June 20, 2005. It was secured by a mortgage (the Mortgage) against a condominium project located in Pompano Beach, Florida. Prior to the bankruptcy and in or near June, 2008, Citron Investment Group, Inc., as Florida-licensed subservicer for Compass Financial Partners LLC, sold the Note and assigned the Mortgage to Realty Financial Partners VI Limited Partnership (Realty Financial). As part of the sale a \$1,000,000 escrow account was opened to reimburse Realty Financial and/or entities affiliated with it for anticipated litigation expenses concerning the Note and Mortgage. Under the terms governing the escrow account, if the underlying litigation were settled based upon a payment to Realty Financial or its affiliate of less than \$1,000,000, Realty Financial and Citron/Compass (on behalf of the direct lenders) would equally share the combined amount of the settlement payment and the remaining escrowed funds. A settlement of that litigation has now been reached, conditioned upon the Trustee, on behalf of the direct lenders and with their consent, agreeing to accept \$75,000 less than an equal split. Under the settlement, the payment to the estate on behalf of the direct lenders was approximately \$655,000, which has been distributed to the direct lenders. The settlement was approved by a majority in interest of the direct lenders and by the Court. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**XXVII. Binford Medical**

The ARC estate holds a 17.25% interest in this loan. Loan servicing responsibility for this loan and property interests was moved to Cross FLS, as approved by order of this Court. It was then moved to Platinum, which asked the Trustee to assist in obtaining a protective advance from Silar. At Platinum's request, the trustee filed a motion seeking court approval of a protective advance. The motion was granted, the loan funded, and the property, which was only days away from being lost to tax liens, was redeemed. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**XXVIII. Brookemere**

This property remains under the supervision of the Court-appointed Receiver. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**XXIX. Castaic (including Barkett litigation)**

This subfile involves three loans. The ARC estate owns 1.43% of Castaic I (also known as Tapia Ranch), 7.59% of Castaic Partners II and 1.6% of Castaic Partners III. The loan servicing responsibility for all three loans has been transferred to Cross FLS, as approved by this Court. This subfile includes a lawsuit filed against the direct lenders by William Barkett. Although the ARC estate is identified in the complaint, it has not been named or joined as a party nor has the plaintiff sought relief from stay to pursue an action against the ARC estate or the Trustee. Recently, the County of Los Angeles filed motions to dismiss the ARC bankruptcy cases and/or for relief from the automatic stay. The motion was premised on the properties' owner failing to pay accrued property taxes. The Court denied the County's Motion. Sullivan Hill estimates that it will incur \$5,000 to \$7,000 in fees and costs for the months of March and April 2013.

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**XXX. Comvest**

Loan servicing responsibility for this loan and property interests have been moved to Cross FLS, as approved by order of this Court. The ARC estate holds a 17.82% interest in this loan. The Trustee has been requested to facilitate a sale of this loan and an *ex parte* application for authorization to do so was filed with the Court. The Court approved the application and the sale has closed. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**XXXI. Copper Sage**

The ARC estate's interests in the Copper Sage loan were sold to Silver Point (SPCP Group, LLC) prior to the Trustee's appointment. It appears, however, that title was never transferred from the estate to Silver Point. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**XXXII. Fiesta Murrieta**

The loan servicing responsibility for this loan property and property interests have been moved to Cross FLS, as approved by order of this court. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**XXXIII. Fiesta Murrieta – Ashby/Redman**

This file relates to a lawsuit in state court which has been reduced to judgment. The case relates to the Fiesta Murrieta Loan, servicing of which has been moved to Cross FLS and the 10-90 loan, which is still serviced by the Trustee. Much of the time recorded under this matter and projected for the future relates to activity in the Chapter 11 bankruptcy case filed by the loan guarantor/principal, Lawrence E. Redman, in the U.S. Bankruptcy Court for the Central District of California (Case No. 2:08-BK-21925-ER). A settlement of the claim filed in the Redman bankruptcy on behalf of the 10-90 direct lenders has been reached and has been approved by the direct lenders and the Court. Accordingly, time for this matter is now discussed in paragraph XV above, addressing the 10-90 loan.

**XXXIV. Fiesta Murrieta - Clevenger**

This file relates to a state court lawsuit relating to the Fiesta Murrieta loan. Because servicing of that loan has been transferred to Cross, FLS, Cross FLS has taken responsibility for the lawsuit. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**XXXV. Gardens**

This subfile involves three related loans and property interests. The ARC estate has a 5.53% interest in a loan known as Gardens 2.4253. The ARC estate also has a separate 31.03% interest in the Gardens Timeshare loan. It also wholly owns a loan known as Gardens Phase II. Servicing of the Gardens Timeshare loan was recently transferred to Platinum Investors. A secured lender has filed a motion for relief from stay affecting one of the properties on which the estate has a subordinate lien. Because the affected property had no value for the estate the Trustee did not oppose the motion. The Trustee is currently analyzing whether to take substantive action to resolve the status of these loans and the borrower's failure to cure the loan defaults. Sullivan Hill estimates that it will incur \$10,000 to \$15,000 in fees and costs for the months of March and April 2013.

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**XXXVI. Harbor Georgetown**

The ARC estate holds a 5.8% interest in this loan. The note was sold in April 2010. Under the terms of sale, the buyer immediately paid the delinquent taxes which had accrued against the property and was to make a single balloon payment of \$2,000,000 in 2012. On April 10, 2012 the Trustee received \$1,905,586.00, the net proceeds of that balloon payment. As is explained more fully in section XVIII concerning the 892 Action, the Trustee has entered into a settlement, which has been approved by the Court, with the plaintiffs in the 892 Action as well as a number of other direct lenders represented by the law firm of Bickel & Brewer. The Court has approved the settlement and the settlement has enabled the Trustee to resolve ARC's claims against the Harbor Georgetown loan proceeds for recoupment of servicing advances and servicing fees. The resolution of those claims as enabled the Trustee to make a further distribution of funds he held for the benefit of the Harbor Georgetown direct lenders. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**XXXVII. HFA Clear Lake**

Loan servicing responsibility for this loan and property interests have been moved to Cross FLS, as approved by order of this Court. The ARC estate appears to have a 5% interest in this loan. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013 on this matter.

**XXXVIII. Margarita Annex**

Loan servicing responsibility for this loan and property interests has been moved to Cross FLS, as approved by order of this Court. The ARC estate appears to have a 24.42% interest in this loan. Cross has been negotiating to sell the loan and the Trustee prepared a motion to approve a sale, which later fell through. Silar has agreed to make a loan to the benefit of the Margarita Annex direct lenders and, at the direct lenders' instruction, the Trustee filed a motion seeking Court approval of that financing. The motion was heard and granted on April 19, 2012. Subsequently, the TDI representatives retained counsel, William McGrane of San Francisco, to address a limited number of issues concerning the property and a pending state court lawsuit between the borrower and a developer who had certain rights with respect to the property. A dispute has arisen with Mr. McGrane (who has withdrawn from the representation) who asserts that each direct lender involved in this loan is individually liable to him for the full amount of his unpaid fees, which are approximately \$150,000 (after he received approximately \$50,000 from the Silar loan proceeds). Mr. McGrane requested that the trustee give him the names and addresses of the Margarita Annex direct lenders, to send each a Notice of Client's Right to Arbitrate, a prelude to suing for the unpaid fees. The trustee declined to provide the requested information and has disputed its liability (and the liability of the other direct lenders) for the unpaid fees. Mr. McGrane has filed an adversary action against the trustee, seeking a determination of whether the estate is bound by his fee agreement and liable for his fees, and a determination of the estate's obligation to participate in arbitration before the American Arbitration Association. The court has set a trial date of May 21, 2013 for this matter. Mr. McGrane has initiated arbitration proceedings against many of the Margarita direct lenders, seeking to hold them personally liable for his fees. Sullivan Hill estimates that it will incur approximately \$5,000 to \$8,000 in fees and costs for the months of March and April 2013.

**XXXIX. Marlton Square**

Loan servicing responsibility for this loan has been transferred to Commercial Mortgage Managers. The estate has filed a claim seeking servicing fees and reimbursement of advances made on behalf of the loan. With the settlement of the 892 Action, discussed in section XVIII, above, ARC's claim has been adjusted to reflect the terms of the settlement.



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It is anticipated the estate will receive payment on its claim in late December 2012 or January 2013. Sullivan Hill estimates it will incur nominal, if any, in fees and costs for the months of March and April 2013.

**XL. Palm Harbor**

The servicing responsibility for this loan and property interests has been moved to CCM Pathfinder Pompano Bay, LLC pursuant to order of this Court. The ARC estate holds a 5.6% interest in this loan. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**XLI. University Estates**

This loan was 100% owned by the ARC estate. The Trustee received court authorization to sell the loan and related rights to a third party and has completed the sale. Sullivan Hill estimates that it will incur nominal, if any, fees and costs for the months of March and April 2013.

**XLII. ARC Claims against SPE's**

The Trustee, on behalf of ARC, has filed claims against each special purpose entity which is a co-debtor. The Trustee does not anticipate significant activity concerning their claims in the immediate future. As detailed in the discussion of the 892 action above, with the settlement of that action the trustee is in a position to have its claims against the SPE's resolved. Sullivan Hill estimates it will incur nominal, if any, fees and costs for the months of March and April 2013.

**XLIII. ARC Claims against Loans**

The Trustee, on behalf of the jointly administered estates, has, when appropriate and in accordance with court orders, filed a claim against each loan or property when its servicing has been moved to a different loan servicer. As detailed in the discussion of the 892 action above, with the settlement of that action the trustee has resolved the estate's claims against several of the loans, has received or will shortly receive payment of its servicing fees and, reimbursement of servicing advances made by ARC or its predecessors and, after reserving funds, where appropriate, for other potential claims, has distributed the funds he has held for the benefit of the direct lenders. Sullivan Hill estimates that it will incur less than \$1,000 in fees and costs for the months of March and April 2013.

**XLIV. Claims Analysis/Objections**

The Trustee has completed his preliminary review of the Proofs of Claim filed against the ARC estate and has filed two rounds of objections. The first omnibus objection was sustained as to all but one creditor. A separate hearing, on a second set of 24 objections, was held on September 15, 2011. Many of the objections included in the second set were resolved by stipulated disallowance of the claim, the creditor's voluntary withdrawal of the claim, or the court's disallowance of the claim due to the creditor's failure to respond to the objection. A third set of objections was heard May 9, 2012. Sullivan Hill estimates it will incur \$5,000 to \$10,000 in fees and costs for the months of March and April 2013.

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**XLV. Preference Actions**

The Trustee has filed sixteen preference actions. Under the 892 settlement agreement, these claims will be transferred to the liquidating trust. Sullivan Hill estimates it will incur approximately \$3,000 in fees and costs for the months of March and April 2013.

**XLVI. Malpractice Actions**

The Trustee has filed professional malpractice actions against two firms which rendered legal advice concerning the transaction which precipitated and/or were instrumental in the conduct which gave rise to the direct lenders' litigation and claims against the estate. Under the settlement agreement resolving the 892 action, these claims will be transferred to the liquidating trust. Sullivan Hill estimates that it will incur between \$3,000 and \$5,000 in fees and costs for the months of March and April 2013.